



For Release: Wednesday, February 14, 2018

18-251-SAN

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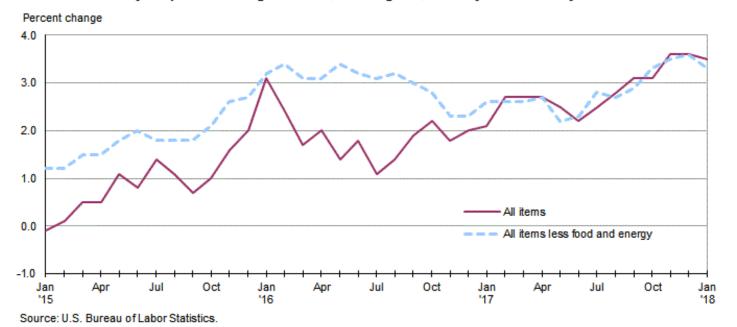
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# Consumer Price Index, Los Angeles area — January 2018 Area prices were up 0.8 percent over the past month, up 3.5 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), advanced 0.8 percent in January, the U.S. Bureau of Labor Statistics reported today. (See table A.) Assistant Commissioner for Regional Operations Richard Holden noted that the January increase was influenced by higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U advanced 3.5 percent. (See chart 1 and table A.) Energy prices increased 9.5 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy increased 3.3 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, January 2015-January 2018



#### Food

Food prices advanced 0.3 percent for the month of January. (See table 1.) Prices for food away from home increased 0.5 percent, and prices for food at home edged up 0.1 percent for the same period.

Over the year, food prices advanced 2.1 percent. Prices for food away from home rose 4.3 percent since a year ago, and prices for food at home moved up 0.3 percent.

#### **Energy**

The energy index rose 3.6 percent over the month. The increase was mainly due to higher prices for gasoline (5.0 percent). Prices for electricity increased 2.8 percent, but prices for natural gas service declined 3.3 percent for the same period.

Energy prices increased 9.5 percent over the year, largely due to higher prices for gasoline (15.6 percent). Prices paid for electricity increased 4.1 percent, but prices for natural gas service moved down 8.3 percent during the past year.

### All items less food and energy

The index for all items less food and energy advanced 0.6 percent in January. Higher prices for apparel (3.6 percent), and shelter (0.4 percent) were partially offset by lower prices for recreation (-0.4 percent).

Over the year, the index for all items less food and energy increased 3.3 percent. Higher prices were noted for other goods and services (5.6 percent) and shelter (3.7 percent).

Table A. Los Angeles-Long Beach-Anaheim CPI-U monthly and annual percent changes (not seasonally adjusted)

Month	2013		2014		2015		2016		2017		2018	
	Monthly	Annual										
January	0.8	2.0	0.5	0.8	-0.3	-0.1	0.7	3.1	0.9	2.1	0.8	3.5
February	0.7	2.2	0.5	0.5	0.7	0.1	0.0	2.4	0.6	2.7		
March	0.1	1.3	0.6	1.0	1.0	0.5	0.3	1.7	0.3	2.7		
April	-0.4	0.9	0.0	1.4	-0.1	0.5	0.2	2.0	0.2	2.7		
May	0.1	1.0	0.4	1.7	1.0	1.1	0.5	1.4	0.3	2.5		
June	-0.1	1.4	0.1	1.8	-0.3	0.8	0.1	1.8	-0.2	2.2		
July	-0.1	1.3	0.1	2.0	0.7	1.4	0.0	1.1	0.3	2.5		
August	0.1	0.8	-0.1	1.8	-0.3	1.1	0.0	1.4	0.3	2.8		
September	0.2	0.6	0.0	1.7	-0.4	0.7	0.2	1.9	0.4	3.1		
October	0.1	-0.1	-0.1	1.4	0.2	1.0	0.4	2.2	0.4	3.1		
November	-0.5	0.4	-0.7	1.3	0.0	1.6	-0.4	1.8	0.1	3.6		
December	0.0	1.1	-0.5	0.7	-0.1	2.0	0.0	2.0	0.0	3.6		

The February 2018 Consumer Price Index for the Los Angeles-Long Beach-Anaheim is scheduled to be released on March 13, 2018.

## **Consumer Price Index Geographic Revision for 2018**

In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, Los Angeles and Riverside have separate indexes. The first indexes using the new structure are published for the first time this month. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

#### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 94 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 5,000 housing units and approximately 22,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17\_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Los Angeles-Long Beach-Anaheim. metropolitan area covered in this release is comprised of Los Angeles and Orange Counties in the State of California.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted)

Item and Group		Indexes		Percent change from-			
	Nov. 2017	Dec. 2017	Jan. 2018	Jan. 2017	Nov. 2017	Dec. 2017	
Expenditure category							
All items	259.135	259.220	261.235	3.5	0.8	0.8	
All items (1967=100)	765.598	765.850	771.805	-	-	-	
Food and beverages	256.382	257.263	258.138	1.9	0.7	0.3	
Food	256.505	257.669	258.479	2.1	0.8	0.3	
Food at home	253.543	255.375	255.732	0.3	0.9	0.1	
Cereals and bakery products	-	260.029	263.402	-	-	1.3	
Meats, poultry, fish, and eggs	-	274.324	271.815	-	-	-0.9	
Dairy and related products	-	241.255	240.294	-	-	-0.4	
Fruits and vegetables	-	350.350	358.881	-	-	2.4	
Nonalcoholic beverages and beverage materials(1)	-	259.151	255.489	-	-	-1.4	
Other food at home	-	202.640	201.936	-	-	-0.3	
Food away from home	256.297	256.623	257.892	4.3	0.6	0.5	
Food away from home	256.297	256.623	257.892	4.3	0.6	0.5	
Alcoholic beverages	239.398	236.145	237.846	-0.7	-0.6	0.7	
Housing	291.580	292.603	294.365	3.4	1.0	0.6	
Shelter	335.881	336.552	337.756	3.7	0.6	0.4	
Rent of primary residence(2)	355.126	356.235	357.733	4.9	0.7	0.4	
Owners' equiv. rent of residences(2)(3)	349.187	350.555	352.125	4.3	0.8	0.4	
Owners' equiv. rent of primary residence(1)(2)	349.168	350.535	352.105	4.3	0.8	0.4	
Fuels and utilities	304.861	306.585	313.724	2.9	2.9	2.3	
Household energy	261.185	263.429	266.805	0.9	2.2	1.3	
Energy services(2)	259.764	262.023	265.389	1.0	2.2	1.3	
Electricity(2)	305.281	305.653	314.299	4.1	3.0	2.8	
Utility (piped) gas service(2)	200.677	207.555	200.712	-8.3	0.0	-3.3	
Household furnishings and operations	114.541	116.428	118.382	1.1	3.4	1.7	
Apparel	103.689	102.476	106.168	0.2	2.4	3.6	
Transportation	204.715	203.134	207.120	7.6	1.2	2.0	
Private transportation	200.934	199.740	203.649	8.4	1.4	2.0	
New and used motor vehicles(4)	-	91.726	92.284	-	-	0.6	
New vehicles(1)	-	169.960	173.186	-	-	1.9	
Used cars and trucks(1)		262.549	263.759			0.5	
Motor fuel	248.485	239.908	251.952	15.7	1.4	5.0	
Gasoline (all types)	242.785	234.242	246.027	15.6	1.3	5.0	
Gasoline, unleaded regular(4)	243.118	234.420	246.393	15.6	1.3	5.1	
Gasoline, unleaded midgrade(4)(5)	233.178	225.746	236.181	15.8	1.3	4.6	
Gasoline, unleaded premium(4)(4)	232.503	224.929	235.448	15.1	1.3	4.7	
Motor vehicle insurance(1)	476 922	730.714	737.507 475.556	2.1	0.2	0.9	
Medical care	476.833 108.176	475.129 108.741	108.296	2.1	-0.3 0.1	0.1	
Recreation(6)  Education and communication(6)	144.767	144.025	144.444	2.0	-0.2	-0.4 0.3	
Tuition, other school fees, and child care(1)	144.707	1,776.469	1,776.469	2.2	-0.2	0.0	
Other goods and services	413.485	411.138	415.821	5.6	0.6	1.1	
Commodity and service group							
All items	259.135	259.220	261.235	3.5	0.8	0.8	
Commodities	177.916	177.022	179.512	3.3	0.9	1.4	
Commodities less food & beverages	136.892	135.321	138.262	4.3	1.0	2.2	
Nondurables less food & beverages	181.792	178.761	184.089	7.3	1.3	3.0	
Durables	92.847	92.718	93.529	-0.8	0.7	0.9	

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Long Beach-Anaheim (1982-84=100 unless otherwise noted) - Continued

Item and Group		Indexes		Percent change from-			
	Nov. 2017	Dec. 2017	Jan. 2018	Jan. 2017	Nov. 2017	Dec. 2017	
Services	331.427	332.391	333.995	3.6	0.8	0.5	
Special aggregate indexes							
All items less medical care	249.702	249.855	251.922	3.6	0.9	0.8	
All items less shelter	225.503	225.322	227.716	3.4	1.0	1.1	
Commodities less food	141.294	139.660	142.606	4.1	0.9	2.1	
Nondurables	220.181	218.884	222.297	4.4	1.0	1.6	
Nondurables less food	187.412	184.325	189.529	6.8	1.1	2.8	
Services less rent of shelter(3)	334.144	335.417	337.635	3.4	1.0	0.7	
Services less medical care services	319.211	320.260	321.939	3.9	0.9	0.5	
Energy	254.283	249.827	258.934	9.5	1.8	3.6	
All items less energy	261.468	261.896	263.457	3.1	0.8	0.6	
All items less food and energy	262.656	262.960	264.641	3.3	0.8	0.6	

#### Footnotes

- (1) Indexes on a December 1977=100 base.
- (2) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (3) Index is on a December 1982=100 base.
- (4) Special index based on a substantially smaller sample.
- (5) Indexes on a December 1993=100 base.
- (6) Indexes on a December 1997=100 base.
- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.